

ORIGINAL

OPEN MEETING



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MEMORANDUM

Arizona Corporation Commission

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TO: THE COMMISSION

OCT 06 2015

2015 OCT -6 A 9:02

FROM: Utilities Division

DATE: October 6, 2015

DOCKETED BY

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AZ CORP COMMISSION
DOCKET CONTROL

RE: IN THE MATTER OF THE APPLICATION OF TRICO ELECTRIC COOPERATIVE, INC., AN ARIZONA CORPORATION, FOR APPROVAL OF ITS PREPAID PILOT PROGRAM (DOCKET NO. E-01461A-14-0260)

SUBJECT: REVISED BILL ESTIMATION TARIFF

On July 9, 2014, Trico Electric Cooperative, Inc. ("Trico" or "Company") filed an application for approval of a Prepaid Service Pilot Program and Experimental Residential Prepaid Service Tariff in Docket No. E-01461A-14-0260. On May 20, 2015, the Arizona Corporation Commission "(Commission)" issued Decision No. 75087 which, in part, ordered Trico to submit a revised Bill Estimation Tariff describing its bill estimation methodologies including those for estimating prepaid accounts. On July 17, 2015, Trico filed its revised Estimation Methodologies Schedule EM for Commission approval.

Trico's Schedule EM describes bill estimation procedures that include methodologies for estimating energy usage (kWh), demand usage (kW), and time-of-use billing parameters for both energy and demand usage. Schedule EM defines a list of conditions under which the Company will issue estimated bills. The proposed revisions to Schedule EM specifically address the estimation methodologies that will be used for prepaid service customers.

Staff has reviewed Trico's revised Schedule EM and finds it to be substantively identical to the bill estimation tariffs of Sulphur Springs Valley Electric Cooperative and Mohave Electric Cooperative.¹ However, Staff recommends that for clarity Trico should add the phrase "F. Communications issues with Prepaid Metering (see Item H below)" to the "Conditions for Estimated Bills" section of the tariff.

Staff further notes that Trico's proposed Schedule EM will only become effective upon approval of the Commission, rather than the May 19, 2015, as proposed by the Company.

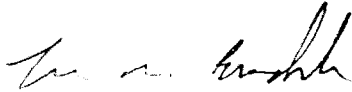
STAFF RECOMMENDATIONS

Staff recommends that Trico's revised Schedule EM be approved as discussed herein.

¹ Under Decision No. 75087, the bill estimation tariffs of Sulphur Springs Valley Electric Cooperative and Mohave Electric Cooperative are referenced as models for Trico's bill estimation tariff.

Staff further recommends that for clarity Trico should add the phrase "F. Communications issues with Prepaid Metering (see Item H below)" to the "Conditions for Estimated Bills" section of the tariff.

Staff further recommends that Trico file tariff pages for Schedule EM consistent with the terms of the Decision in this matter within 15 days from the effective date of the Decision.



Thomas M. Broderick
Director
Utilities Division

TMB:RBL:red\BES

ORIGINATOR: Rick Lloyd

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 SUSAN BITTER SMITH
 Chairman

3 BOB STUMP
 Commissioner

4 BOB BURNS
 Commissioner

5 DOUG LITTLE
 Commissioner

6 TOM FORESE
 Commissioner

7
8 IN THE MATTER OF THE APPLICATION }
9 OF TRICO ELECTRIC COOPERATIVE, }
10 INC., AN ARIZONA CORPORATION, FOR }
11 APPROVAL OF ITS PREPAID PILOT }
12 PROGRAM. }

DOCKET NO. E-01461A-14-0260

DECISION NO. _____

ORDER

12 Open Meeting
13 October 20 and 21, 2015
14 Phoenix, Arizona

14 BY THE COMMISSION:

15 FINDINGS OF FACT

16 1. Trico Electric Cooperative, Inc. ("Trico" or "Company") is certificated to provide
17 electric service as a public service corporation in the State of Arizona.

18 2. On July 9, 2014, Trico filed an application for approval of a Prepaid Service Pilot
19 Program and Experimental Residential Prepaid Service Tariff in Docket No. E-01461A-14-0260. On
20 May 20, 2015, the Arizona Corporation Commission ("Commission") issued Decision No. 75087
21 which, in part, ordered Trico to submit a revised Bill Estimation Tariff describing its bill estimation
22 methodologies including those for estimating prepaid accounts. On July 17, 2015, Trico filed its
23 revised Estimation Methodologies Schedule EM for Commission approval.

24 3. Trico's Schedule EM describes bill estimation procedures that include methodologies
25 for estimating energy usage (kWh), demand usage (kW), and time-of-use billing parameters for both
26 energy and demand usage. Schedule EM defines a list of conditions under which the Company will
27 issue estimated bills. The proposed revisions to Schedule EM specifically address the estimation
28 methodologies that will be used for prepaid service customers.

1 4. Staff has reviewed Trico's revised Schedule EM and finds it to be substantively
2 identical to the bill estimation tariffs of Sulphur Springs Valley Electric Cooperative and Mohave
3 Electric Cooperative. However, Staff recommends that for clarity Trico should add the phrase "F.
4 Communications issues with Prepaid Metering (see Item H below)" to the "Conditions for Estimated
5 Bills" section of the tariff.

6 5. Staff further notes that Trico's proposed Schedule EM will only become effective
7 upon approval of the Commission, rather than the May 19, 2015, as proposed by the Company.

8 **Staff Recommendations**

9 6. Staff has recommended that Trico's revised Schedule EM be approved as discussed
10 herein.

11 7. Staff has further recommended that for clarity Trico should add the phrase "F.
12 Communications issues with Prepaid Metering (see Item H below)" to the "Conditions for Estimated
13 Bills" section of the tariff.

14 8. Staff has further recommended that Trico file tariff pages for Schedule EM consistent
15 with the terms of the Decision in this matter within 15 days from the effective date of the Decision.

16 CONCLUSIONS OF LAW

17 1. Trico Electric Cooperative, Inc. is an Arizona public service corporation within the
18 meaning of Article XV, Section 2, of the Arizona constitution.

19 2. The Commission has jurisdiction over Trico Electric Cooperative, Inc. and over the
20 subject matter of the application.

21 3. The Commission, having reviewed the application and Staff's memorandum dated
22 October 6, 2015, concludes that it is in the public interest to approve the revised Bill Estimation Tariff
23 as discussed herein.

24 ORDER

25 IT IS THEREFORE ORDERED that Trico Electric Cooperative, Inc.'s revised Schedule EM
26 be approved as discussed herein.

27 ...

28 ...

1 IT IS FURTHERE ORDERED that for clarity Trico Electric Cooperative, Inc. shall add the
2 phrase "F. Communications issues with Prepaid Metering (see Item H below)" to the "Conditions for
3 Estimated Bills" section of the tariff.

4 IT IS FURTHER ORDERED that Trico file tariff pages for Schedule EM consistent with the
5 terms of the Decision in this matter within 15 days from the effective date of the Decision.

6
7 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

8
9 _____
CHAIRMAN

COMMISSIONER

10
11
12 COMMISSIONER

COMMISSIONER

COMMISSIONER

13
14 IN WITNESS WHEREOF, I, JODI JERICH, Executive
15 Director of the Arizona Corporation Commission, have
16 hereunto, set my hand and caused the official seal of this
Commission to be affixed at the Capitol, in the City of
Phoenix, this _____ day of _____, 2015.

17
18 _____
19 JODI JERICH
EXECUTIVE DIRECTOR

20
21 DISSENT: _____

22
23 DISSENT: _____

24 TMB:RBL:red\BES
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26
27
28

1 SERVICE LIST FOR: Trico Electric Cooperative, Inc.
2 DOCKET NO. E-01461-14-0260

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10 Arizona Corporation Commission
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15 Arizona Corporation Commission
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